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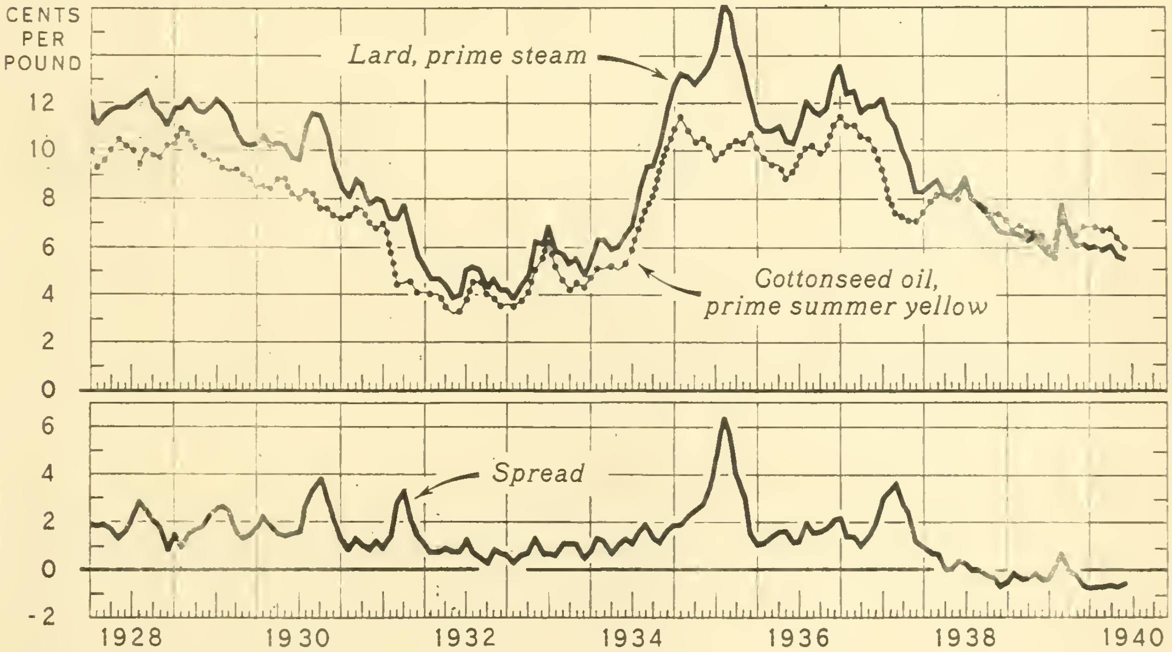
THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS-41 BAE JULY 1940

IN THIS ISSUE:- LARD AND OTHER COOKING FATS:
SITUATION AND PROSPECTS

PRICES OF LARD AT CHICAGO AND COTTONSEED OIL AT NEW YORK, AND SPREAD BETWEEN THESE PRICES, 1928-40



U. S. DEPARTMENT OF AGRICULTURE NEG. 35617 BUREAU OF AGRICULTURAL ECONOMICS

BECAUSE COTTONSEED OIL IS USED PRINCIPALLY IN VEGETABLE COOKING FATS IN COMPETITION WITH LARD, ITS PRICE TENDS TO FOLLOW THE PRICE OF LARD FAIRLY CLOSELY. VARIATIONS IN THE SPREAD BETWEEN PRICES OF THE TWO PRODUCTS ARISE MAINLY FROM RELATIVE DIFFERENCES IN SUPPLY. DURING THE PAST 2 YEARS, THE PRICE OF LARD HAS BEEN UNUSUALLY LOW IN COMPARISON WITH THAT OF COTTONSEED OIL, CHIEFLY BECAUSE OF THE LARGE SUPPLY OF LARD THAT HAS BEEN AVAILABLE FOR DOMESTIC USE.

Table 1.- Price per pound of specified fats and oils, and oil-bearing materials June 1938 and 1939, and April-June 1940

Item	June		1940 1/		
	1938	1939	Apr.	May	June
Fats and oils:	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	25.3	23.6	27.1	26.4	26.3
Oleomargarine, dom. veg., Chicago	15.4	14.5	15.0	15.0	15.0
Compounds (animal and veg. cooking fats), Chicago	10.2	9.0	9.4	9.5	9.2
Lard, prime steam, tierces, Chicago	8.4	6.1	6.1	5.6	5.5
Lard, refined, tubs, Chicago	9.4	7.1	6.4	6.4	6.2
Oleo oil, extra, tierces, Chicago	8.0	7.4	7.0	7.0	7.0
Oleostearine, bbls., N. Y.	6.1	5.9	6.1	6.0	5.8
Corn oil, crude, tanks, f.o.b. mills	7.1	5.6	6.2	5.9	5.5
Corn oil, refined, bbls., N. Y.	9.6	8.8	8.8	8.8	8.4
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	6.8	5.5	5.9	5.7	5.1
Cottonseed oil, p.s.y., tank cars, N.Y.	8.0	6.5	6.8	6.4	6.0
Peanut oil, crude, tanks, f.o.b. mills	6.9	5.6	6.2	5.9	5.7
Peanut oil, dom. refined, bbls., N. Y.	9.9	8.9	9.3	9.2	8.9
Soybean oil, crude, tank cars, midwestern mills	5.2	4.9	5.5	5.3	4.7
Soybean oil, refined, drums, N. Y.	8.5	7.5	8.2	8.0	7.3
Babassu oil, tanks, N. Y.	6.3	6.2	6.2	6.1	5.9
Coconut oil, crude, tanks, f.o.b. Pacific Coast 2/	5.9	6.0	5.9	5.8	5.5
Coconut oil, edible, tanks, N. Y.	8.2	7.6	7.2	7.0	7.0
Olive oil, edible, drums, N. Y.	25.3	25.1	25.3	25.9	---
Olive-oil foots, prime, drums, N. Y.	7.9	7.1	8.2	8.5	9.1
Palm oil, Niger, crude, drums, N. Y. 2/	6.8	6.8	7.5	7.5	7.5
Palm oil, Sumatra, bulk, N. Y. 2/	6.0	5.7	5.5	5.5	5.5
Rape oil, refined, bbls., N. Y.	3/10.4	3/10.8	3/13.7	14.6	15.0
Sesame oil, refined, drums, N. Y.	10.4	9.2	16.0	16.0	16.0
Teaseed oil, crude, drums, N. Y.	6.6	9.4	12.4	12.5	12.5
Tallow, inedible, Chicago	4.6	4.7	4.5	4.2	3.8
Grease, A white, Chicago	4.9	4.8	4.6	4.2	3.8
Menhaden oil, crude, tanks, f.o.b. Baltimore	4.1	3.7	4.4	4.6	4.7
Sardine oil, crude, tanks, Pacific Coast	4.8	4.3	5.1	5.6	5.4
Whale oil, refined, bleached winter, drums, N. Y.	9.4	8.2	3/ 9.5	9.5	9.5
Linseed oil, raw, tank cars, Minneapolis	8.2	8.7	10.3	10.0	9.3
Linseed oil, raw, carlots, bbls., drums, N. Y.	8.7	9.3	10.9	10.6	10.0
Perilla oil, drums, N. Y.	3/9.9	3/10.5	3/19.9	18.5	---
Oiticica oil, drums, N. Y.	9.4	13.3	18.8	17.5	17.5
Tung oil, drums, N. Y.	10.9	20.6	25.4	24.8	24.0
Castor oil, dehydrated, drums, carlots, N. Y.	---	---	18.1	17.0	16.7
Castor oil, No. 3, bbls., N. Y.	9.2	8.2	12.8	12.8	12.8
Cod-liver oil, med. U.S.P.bbls., N.Y. (dol. per bbl.)	26.5	20.5	48.4	60.0	66.2
Cod oil, Newfoundland, bbls., N. Y.	6.7	4.3	---	---	---
Oil-bearing materials:					
Copra, bags, f.o.b. Pacific Coast	1.8	1.9	1.7	1.6	1.6
Cottonseed, Dallas (dol. per ton)	22.4	22.7	26.5	25.6	22.0
Flaxseed, No. 1, Minneapolis (per bu.)	181.0	181.0	211.0	197.0	178.0
Peanuts, shelled, Runners No. 1, f.o.b. S.E. mills	5.1	5.0	5.2	5.2	4.8
Soybeans, No. 2 Yellow, Chicago (per bu.)	88.0	93.0	109.0	100.0	81.0

Compiled from Oil, Paint and Drug Reporter, The National Provisioner, Chicago Daily Trade Bulletin, Minneapolis Daily Market Record, and reports of the Agricultural Marketing Service and Bureau of Labor Statistics. Prices quoted include excise taxes and duties where applicable. 1/ Preliminary. 2/ 3-cent processing tax added to price as originally quoted. 3/ Revised.

THE FATS AND OILS SITUATION

Summary

Except for fish oils, butter, and linseed oil, prices of domestic fats, oils, and oilseeds were at unusually low levels in June. The low level of prices was caused primarily by the large supplies of lard, soybean oil, tallow, and greases in the United States, and the closing of most continental European markets to world trade.

Prices of some imported oils, on the other hand, were unusually high in June. This situation was the result of several factors, including the curtailment of imports from Europe (fish-liver oils, olive oil), the blockade of China (tung oil, teaseed oil), and high rates for ocean shipments.

Lard prices, which in early June were the lowest since 1933, advanced somewhat in late June and early July. The production of lard has now been restored to about its pre-drought level. But exports, which in the pre-drought period accounted for approximately 30 percent of the total output, have been reduced to about one-tenth of the production. Increased competition from low-cost vegetable oils and whale oil abroad, together with the recent closing of most continental European markets, are the factors chiefly responsible for the loss of export trade in lard. Increased production of soybean oil in the United States in the past few years also has been a factor tending to weaken the price of lard.

Some improvement in the lard price situation is indicated by a probable reduction of about 10 percent in the size of the pig crop this year. This will be reflected in reduced lard output in the hog-marketing year beginning next October. Increased lard purchases for domestic relief distribution in recent months, the possibility of expanded lard shipments to

Europe for distribution by the Red Cross, as well as increased European purchases if the war should end, and the further strengthening in domestic demand which will result in part from increased Government expenditures for defense purposes, also are favorable factors.

The acreage of soybeans for harvest, on the other hand, is estimated to be 14 percent larger this year than last, when a record crop of 87 million bushels of soybeans was produced. Peanut and cotton acreages also are estimated to be somewhat larger this year than last. If the war in Europe should continue through the 1940-41 marketing season, an important outlet for domestic soybeans would be virtually lost, with the result that a much larger quantity of soybean oil would be available for domestic consumption in the season beginning next October than in the current season.

A production of approximately 29 million bushels of flaxseed is indicated by the July 1 crop report. Such an output would be the largest since 1924 and the third largest on record. With a crop of this size, import requirements for flaxseed in the 1940-41 season would be the smallest in several years.

REVIEW OF RECENT DEVELOPMENTS

Prices of most fats and oils decline further in June

Reflecting the loss of European markets for fats and oils in all surplus-producing areas, wholesale prices of most fats and oils in the United States declined further from May to June. Prices of crude soybean and cottonseed oils, inedible tallow, and greases led the decline with a drop of about 10 percent. Prices of linseed, corn, sardine, peanut, coconut, babassu, tung, and dehydrated castor oils, as well as oleostearine and lard, also declined. In contrast, prices of a few imported oils, notably cod-liver, olive, and rape, advanced.

Only five of the domestic fats and oils were higher in June this year than last. These were menhaden oil, sardine oil, whale oil, butter, and linseed oil. Prices of peanut oil were about unchanged from a year earlier. Prices of other domestic items were down 2-20 percent, with lard, inedible tallow, and greases showing the greatest relative declines.

With few exceptions, prices of imported oils were substantially higher in June this year than last. Coconut, babassu, and East Indian palm oil prices were lower. But price gains for other items ranged from 10 to 223 percent. The most pronounced gain was in the price of cod-liver oil. The curtailment of imports resulting from hostilities in Europe and the blockade of China, as well as high rates for ocean shipments, are among the factors tending to maintain prices of many imported oils at high levels.

The comparative strength in prices of domestic fish oils in recent months apparently has been due largely to the sharp reduction in imports of fish-liver oils from Norway, Germany, and the United Kingdom, and to the relatively high level of prices of the drying oils. Domestic menhaden and pilchard oils, which are fairly rich in vitamins, may be substituted to some extent for the lower grades of fish-liver oils, particularly for poultry feeding. They are extensively used in the manufacture of soap, in the drying industries, and, to a slight extent, in food products.

Prices of domestic oilseeds also down in June

Prices of cottonseed, flaxseed, peanuts, and soybeans declined sharply in June. No. 2 Yellow soybeans at Chicago, at 81 cents per bushel, were 19 percent lower than in May and 13 percent lower than in June 1939. No. 1 flaxseed at Minneapolis, at $1.78 per bushel, was down 10 percent from a month earlier and 2 percent from a year earlier. Cottonseed at Dallas showed a decline of 14 percent from May and 3 percent from June 1939. Peanut prices, after holding steady for several months, finally reacted to the curtailment of European outlets for oil-bearing materials, large supplies of which are now available in most primary producing countries. The price of No. 1 Runners at southeastern milling points in June, at 4.8 cents per pound, was 8 percent lower than a month earlier, and was 4 percent under that of a year earlier.

Sharp increase in flaxseed production indicated

The acreage of flaxseed for harvest in 1940 is estimated by the Crop Reporting Board at 3,168,000, an increase of 39 percent over the 2,284,000 acres harvested in 1939. All flaxseed-producing States participate in the increase, except those in the Pacific Northwest.

An average yield of 9.1 bushels per harvested acre is indicated on the basis of condition reports as of July 1. Production is expected to total 28,801,000 bushels in 1940 compared with 20,330,000 bushels in 1939, and a 10-year (1929-38) average of 10,846,000 bushels. An output of this magnitude would be the largest since 1924 and the third largest on record.

Soybean, peanut, and cotton acreages expanded

The acreage of soybeans grown alone for all purposes is estimated at 10,286,000 acres, which is 14 percent larger than the acreage harvested in 1939 when some 87 million bushels of soybeans were produced, and is the largest soybean acreage on record. The acreage of peanuts grown alone for all purposes is estimated at 2,493,000 acres, an increase of 3.4 percent over the record acreage harvested in 1939. The acreage of cotton in cultivation on July 1 was estimated by the Crop Reporting Board at 25,077,000 acres, 1.6 percent more than the acreage in cultivation on July 1, 1939, but 28 percent less than the 10-year (1929-38) average. Total plantings are reported to be well below the Agricultural Conservation Program allotments, but it is indicated that some farmers whose plantings are in excess of allotments probably will remove excess acreage.

LARD AND OTHER COOKING FATS: SITUATION AND PROSPECTS

Lard prices in June lowest since 1933

The average price of prime steam lard at Chicago in June, at 5.48 cents per pound, was the lowest since December 1933. However, prices strengthened in late June and early July, advancing to slightly more than 6 cents, which was the approximate level of prices during the first 4 months of 1940. But even at this level, lard prices were more than 40 percent below the average for the 10 pre-drought years, 1924-33.

The production of lard under Federal inspection from January through May this year totaled 696 million pounds, 34 percent more than production in the corresponding period of 1939. This rate of increase, however, probably will not be maintained throughout the year, particularly in the last quarter, when the output of lard is likely to be smaller than in the final quarter of 1939 as a result of a reduced pig crop this year. Total lard production in 1940, including lard produced from local and farm slaughter, is not expected to exceed 2,350 million pounds. The total output in 1939 amounted to 2,037 million pounds.

A production of 2,300-2,350 million pounds of lard in 1940 would be about equal to the average production in the pre-drought period, 1924-33. But since 1933, lard has met increasing competition in foreign markets from hardened vegetable oils and whale oil, with the result that exports now are much smaller than in the pre-drought years. Present indications are that exports including shipments to United States territories may total 200-300 million pounds in 1940 compared with an average of over 700 million pounds annually in the pre-drought period. (Table 3).

The European War also has had an adverse effect on the export market for lard this year. The present blockade of continental Europe has cut off some of our usual foreign outlets. Of greater importance, the United Kingdom, which is reported to have large stocks of vegetable oils and whale oil on hand, and additional stocks of whale oil in storage in this hemisphere, has sharply reduced its lard purchases this year. As indicated in table 2, shipments of lard to the United Kingdom in the first 5 months of 1940 were nearly 60 percent smaller than in the corresponding period of 1939. Increased exports to other countries have only partly redressed the balance. Lard purchases by the United Kingdom virtually ceased in April and May, but renewed purchasing activity has been reported in recent weeks.

Table 2.- Lard, including neutral: United States exports, by countries of destination, January-May, 1939 and 1940

Country of destination	Jan.-May 1939	1940 1/ Jan.	Feb.	Mar.	Apr.	May	Jan.-May 2/
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
United Kingdom	76,824	15,785	11,090	3,929	676	10	31,489
Germany 3/	272	---	---	---	---	---	---
Italy	268	220	23	133	371	---	747
Norway	---	4	6	8	---	---	18
Sweden	376	313	1,436	295	---	---	2,044
Finland	120	123	2,091	6,242	5,532	1,323	15,310
Belgium	981	369	975	250	367	2,196	4,157
Netherlands	46	52	77	120	55	---	304
France	21	---	---	25	44	611	680
Switzerland	---	176	160	330	249	21	936
Malta, Gozo and Cyprus	701	28	---	---	---	---	28
Canada	540	626	39	4/	4	5	675
Mexico	3,287	2,331	833	882	1,565	826	6,436
Cuba	22,103	5,260	5,625	4,883	5,924	6,767	28,458
Dominican Republic	670	125	195	291	174	209	994
Haiti	372	49	93	111	59	93	405
Costa Rica	845	201	229	176	306	334	1,245
Panama 5/	588	167	191	251	153	285	1,047
Colombia	5,457	973	1,007	1,469	1,667	824	5,940
Venezuela	2,948	618	536	884	1,221	1,078	4,337
Ecuador	458	373	413	207	350	125	1,467
Peru	22	10	---	10	10	---	29
Philippine Islands	2	1	---	4/	1	2	4
Other countries	1,094	183	116	160	122	180	760
Total 2/	117,996	27,988	25,133	20,654	18,849	14,889	107,513

Compiled from records of the Bureau of Foreign and Domestic Commerce. Does not include shipments to United States territories.

1/ Preliminary.
2/ Total of unrounded numbers.
3/ Includes Austria and Sudeten area; beginning March 18, 1939, includes occupied provinces of Czechoslovakia; beginning March 25, 1939, includes Memel.
4/ Less than 500 pounds.
5/ Includes Canal Zone.

Storage holdings at record peak - Federal purchases increased

Despite low prices, the increase in domestic consumption of lard this year has not been sufficient to absorb the surplus resulting from the failure of exports to expand with increased output. As a result, lard has accumulated in storage. Cold storage holdings of lard on July 1 totaled 306 million pounds, more than twice the usual quantity in storage on that date.

The Federal Surplus Commodities Corporation (now a part of the new Surplus Marketing Administration) accepted contracts for 63,776,856 pounds of lard and 24,348,000 pounds of salt pork in June, bringing total purchases since last December to 130,740,000 pounds for lard and 44,585,000 pounds for salt pork, bellies, and fat backs. These fats are being distributed free to eligible low-income families in an effort to absorb part of the burdensome lard surplus domestically and to improve nutritional standards. The Red Cross also has purchased some lard in recent weeks for distribution among war refugees in Europe.

Reduced lard output in prospect for 1941

According to the June pig crop report of the Agricultural Marketing Service, the number of pigs saved in the spring season of 1940 (December-May) was about 8 percent smaller than the number saved in the spring season of 1939. And the number of sows to farrow in the fall season (June-November), as indicated by farmers' reports of breeding intentions, is expected to be about 12 percent less than a year earlier. It is estimated that the combined spring and fall pig crops this year may total about 76 million head, 10 percent less than the total pig crop in 1939 and about 3 percent less than the 1924-33 average.

On the basis of these indications, it is likely that the quantity of lard produced in the 1940-41 hog marketing year, which begins next October, will be smaller than the quantity produced in 1939-40. Lard production in the calendar year 1941 also is likely to be smaller than in 1940, although the extent of this reduction will depend in part on the relation of hog prices to corn prices in the next 6 months and on the size of the spring pig crop next year, which will be the chief factor governing the quantity of lard to be produced in the final quarter of 1941.

Improvement in industrial activity is expected to take place in the next several months as Government expenditures for defense purposes increase in volume. This will be a factor tending to strengthen the demand for lard. However, according to July 1 crop indications, an increased output of domestic oilseeds yielding edible oils is in prospect this year, which will be a factor tending to limit any improvement in the demand for lard.

Lard consumption increased - consumption of other cooking fats reduced

The remarkable recovery of lard production from the effects of the severe droughts of 1934 and 1936, together with the loss of export outlets, has been reflected in a sharp increase in lard consumption in the United States. In the 10 years 1924-33, the annual consumption of lard averaged 13.3 pounds per capita. Consumption declined to 9.5 pounds per capita in 1935. By 1939, the per capita consumption had recovered to 12.7 pounds. Present indications are that consumption in 1940 will total 15-16 pounds per capita, and will be the largest on record.

As a rule, nearly all the lard produced in this country, and not exported, is domestically consumed, with carry-over representing only a small proportion of the total supply. The production and consumption of other cooking fats appear to vary inversely with production and consumption of lard. The consumption of compounds and vegetable cooking fats, which in the 10 years 1924-33 averaged 9 pounds per capita, increased to 12.4 pounds per capita in 1936. But by 1939, such consumption had declined to 10.7 pounds per capita, and a further decrease is indicated for 1940.

Lard prices low in relation to prices of competing products

On the basis of the available statistical evidence it appears that, at the present level of consumption, the demand for lard is relatively inelastic. This means, in effect, that to bring about a given increase in consumption, a relatively large price reduction must be made. The domestic consumption of lard in 1940 probably will be 40-45 percent larger than in 1937, when the average wholesale price of refined lard at Chicago was approximately double the present price. The general level of national purchasing power in 1940 is nearly the same as that which prevailed in 1937.

Lard prices at the present time are low in relation to prices of competing products. Ordinarily, the wholesale price of compounds at Chicago is somewhat lower than the price of refined lard. But during the past 2-1/2 years the price of compounds has averaged 1 to 3 cents per pound higher than that for lard. As indicated in the chart on the cover page, lard prices also have been low in relation to the price of cottonseed oil, one of the principal ingredients of compounds and vegetable cooking fats. Lard prices probably will continue to be low in relation to prices of competing products so long as a substantial surplus above normal requirements remains to be sold in the domestic market.

Large supply and low prices of lard weaken demand for other edible fats

The large supply and low prices of lard in recent months have tended to weaken the demand for edible fats and oils that compete directly or indirectly with lard. The quantity of fats and oils used in production of compounds and vegetable cooking fats in 1939 was about 7 percent smaller than in 1938 and 12 percent smaller than in 1937. A further reduction is taking place this year. Prices of most of these fats and oils, moreover, are now at unusually low levels.

The large supply of lard available for domestic use, however, has not been the only factor tending to weaken the demand for most edible fats and oils in the United States. The recent wide-spread loss of European markets for fats and fat-bearing materials of both domestic and foreign origin, and the increasing supply of soybean oil in the United States have been important factors.

Use of soybean oil in cooking fats increases

Domestic vegetable oils (chiefly cottonseed oil) for many years have been the principal ingredients of compounds and vegetable cooking fats. Except for the brief period when production of such cooking fats was sharply expanded as a result of short domestic supplies of lard, domestic vegetable oils have made up 80 to 90 percent of the total fats used in making shortening compounds. The remaining materials have consisted of imported vegetable oils and land and marine animal fats and oils. (Tables 6 and 7.)

Perhaps the most significant development in the compounds and vegetable cooking fat field during the past few years has been the rapid increase in the use of soybean oil as a manufacturing material. Prior to 1935, when domestic production of soybean oil began its recent sharp expansion, only small quantities of that oil were used in cooking fats. In 1935, some 52 million pounds of soybean oil were used; and in 1939, over 200 million pounds, equivalent to 14 percent of the total weight of fats employed in compounds and vegetable cooking fats, were used. As indicated by figures given in the April issue of The Fats and Oils Situation, the consumption of soybean oil in compounds and vegetable cooking fats in 1939 represented about 55 percent of its total factory use, and was nearly double its use in margarine and other edible products.

Table 3.- Lard, including neutral lard: Production, trade, stocks December 31, and apparent disappearance, 1912-39

Year	Production			Exports	Shipments to U. S. territories	Total exports and shipments	Stocks, Dec. 31	Total apparent disappearance
	Federally inspected	Other	Total					
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1912	959	680	1,639	553	4	556	---	1,083
1913	945	688	1,633	575	5	580	---	1,053
1914	854	681	1,535	460	5	464	---	1,071
1915	956	713	1,669	487	5	492	63	1,177
1916	966	719	1,685	454	6	460	81	1,208
1917	738	698	1,436	382	4	386	55	1,076
1918	1,140	741	1,881	555	3	558	104	1,273
1919	1,155	749	1,904	784	4	788	63	1,158
1920	1,207	736	1,943	635	7	642	59	1,304
1921	1,379	713	2,092	893	10	903	48	1,201
1922	1,575	708	2,283	787	10	797	49	1,484
1923	1,971	721	2,692	1,060	14	1,074	49	1,618
1924	1,923	713	2,635	971	14	986	61	1,638
1925	1,452	681	2,133	708	11	719	42	1,432
1926	1,513	671	2,185	717	16	733	50	1,444
1927	1,557	683	2,240	702	16	717	55	1,518
1928	1,750	682	2,432	783	18	801	85	1,600
1929	1,763	672	2,435	848	19	866	82	1,572
1930	1,521	680	2,201	656	18	674	51	1,557
1931	1,554	725	2,279	578	23	601	51	1,678
1932	1,573	778	2,351	552	24	576	41	1,786
1933	1,679	767	2,446	584	28	612	133	1,743
1934	1,341	725	2,066	435	23	458	118	1,623
1935	662	605	1,267	97	18	115	53	1,218
1936	992	681	1,673	112	25	137	146	1,443
1937	787	654	1,441	137	26	162	54	1,371
1938	1,076	674	1,750	205	29	234	107	1,462
1939 1/	1,317	720	2,037	277	34	311	162	1,672

Compiled as follows:

Production -

Federally inspected, Agricultural Marketing Service.

Other, Bureau of Agricultural Economics.

Foreign trade, Foreign Commerce and Navigation of the United States.

Stocks, Agricultural Marketing Service.

Total apparent disappearance computed from data on production, trade, and stocks.

Totals computed from unrounded numbers.

1/ Preliminary.

Table 4.- Compounds and vegetable cooking fats: Production, trade stocks December 31, and apparent disappearance, 1912-39

Year	Factory production	Imports for consumption 1/	Exports	Net exports	Stocks, Dec. 31	Total apparent disappearance
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
1912	876,927	---	73,724	73,724	---	803,203
1913	1,000,000	2/ 53	63,700	63,647	---	936,353
1914	1,136,522	545	63,356	62,811	---	1,073,711
1915	1,075,000	258	63,870	63,612	---	1,011,388
1916	1,027,133	51	49,822	49,771	---	977,362
1917	1,173,446	428	49,300	48,872	---	1,124,574
1918	1,146,236	801	43,977	43,176	---	1,103,060
1919	1,352,000	3,846	124,963	121,117	---	1,230,883
1920	747,255	14	32,051	32,037	---	715,218
1921	811,095	5	48,207	48,202	---	762,893
1922	784,180	35	41,765	41,730	15,515	742,450
1923	750,522	2	17,067	17,065	10,689	738,283
1924	830,435	83	14,371	14,288	19,517	807,319
1925	1,152,620	25	22,313	22,288	22,857	1,126,992
1926	1,140,708	319	18,167	17,848	22,926	1,122,791
1927	1,178,995	250	14,420	14,170	26,770	1,160,981
1928	1,143,349	181	10,394	10,213	29,929	1,129,977
1929	1,220,102	257	9,975	9,718	31,669	1,208,644
1930	1,211,268	92	8,791	8,699	26,672	1,207,566
1931	1,171,559	101	5,994	5,893	24,751	1,167,587
1932	945,441	221	3,498	3,277	26,265	940,650
1933	952,580	189	2,602	2,413	27,301	949,131
1934	1,204,331	281	2,181	1,900	27,690	1,202,042
1935	1,546,795	7,949	1,219	3/ 6,730	39,890	1,541,325
1936	1,586,741	6,235	1,623	3/ 4,612	44,932	1,586,311
1937	1,594,929	1,909	1,723	3/ 186	46,031	1,594,016
1938	1,514,028	1,924	2,255	331	55,662	1,504,066
1939 4/	1,403,551	1,245	3,237	1,992	56,621	1,400,600

Compiled as follows:

Production -

1912, 1914, 1916-18, United States Department of Agriculture, Supplement to Bulletin 769.

1913 and 1915, interpolated.

1919, estimate by Weber and Alsberg, The American Vegetable Shortening Industry, p. 330.

1920 and 1921, United States Tariff Commission, Report to Congress on Certain Vegetable Oils (Report No. 41, Second Series 1932) pp. 159-60.

1922-39, Bureau of the Census, Animal and Vegetable Fats and Oils.

Foreign trade -

Reports of the Department of Commerce.

Stocks -

Bureau of the Census, Animal and Vegetable Fats and Oils. Data not available for years prior to 1922.

Total apparent disappearance computed from data on production, trade, and stocks.

1/ 1913-21, include small percentage of lard. Not reported prior to October 1913.
2/ October - December. 3/ Net imports. 4/ Preliminary.

Table 5.- Lard, compounds, and vegetable cooking fats: Per capita production and disappearance in the United States, 1912-39

Year	Per capita production			Per capita disappearance		
	Lard	Compounds and vegetable cooking fats	Total	Lard	Compounds and vegetable cooking fats	Total
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1912	17.2	9.2	26.4	11.4	8.4	19.8
1913	16.9	10.4	27.3	10.9	9.7	20.6
1914	15.7	11.6	27.3	10.9	11.0	21.9
1915	16.8	10.8	27.6	11.8	10.2	22.0
1916	16.7	10.2	26.9	12.0	9.7	21.7
1917	14.1	11.5	25.6	10.5	11.0	21.5
1918	18.2	11.1	29.3	12.3	10.6	22.9
1919	18.1	12.9	31.0	11.0	11.7	22.7
1920	18.2	7.0	25.2	12.2	6.7	18.9
1921	19.3	7.5	26.8	11.1	7.1	18.2
1922	20.8	7.1	27.9	13.5	6.8	20.3
1923	24.1	6.7	30.8	14.5	6.6	21.1
1924	23.3	7.3	30.6	14.5	7.1	21.6
1925	18.6	10.0	28.6	12.5	9.8	22.3
1926	18.7	9.8	28.5	12.4	9.6	22.0
1927	19.0	10.0	29.0	12.8	9.8	22.6
1928	20.3	9.5	29.8	13.3	9.4	22.7
1929	20.0	10.0	30.0	12.9	9.9	22.8
1930	17.9	9.8	27.7	12.7	9.8	22.5
1931	18.4	9.4	27.8	13.5	9.4	22.9
1932	18.8	7.6	26.4	14.3	7.5	21.8
1933	19.4	7.6	27.0	13.9	7.6	21.5
1934	16.3	9.5	25.8	12.8	9.5	22.3
1935	9.9	12.1	22.0	9.5	12.1	21.6
1936	13.0	12.4	25.4	11.2	12.4	23.6
1937	11.1	12.3	23.4	10.6	12.3	22.9
1938	13.4	11.6	25.0	11.2	11.6	22.8
1939	15.5	10.7	26.2	12.7	10.7	23.4

Computed from total production and total apparent disappearance shown in preceding tables, using population figures as of July 1.

Table 6.- Compounds and vegetable cooking fats: Materials used in manufacture, United States, 1935-39

Item	1935	1936	1937	1938	1939
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Vegetable					
Cottonseed oil	991,798	918,866	1,162,596	1,051,347	904,950
Soybean oil	52,452	113,897	90,798	137,133	201,599
Peanut oil	90,900	88,470	58,141	52,402	51,713
Corn oil	2,815	430	1,611	399	1,453
Linseed oil	57	---	1,522	6	---
Total domestic 1/	1,138,022	1,121,663	1,314,668	1,241,287	1,159,715
Palm oil	117,377	168,808	123,677	115,033	113,078
Coconut oil	44,034	38,427	12,531	26,199	20,659
Sesame oil	34,967	33,120	29,269	5,435	724
Rape oil	15,575	30,572	5,203	297	37
Babassu oil	---	5,368	127	950	506
Palm-kernel oil	825	627	47	614	266
Sunflower oil	10,896	208	---	---	---
Perilla oil	55	---	---	---	---
Other 2/	12,839	15,640	870	695	887
Total foreign 3/	236,568	292,770	171,724	149,223	136,157
Animal and marine					
Tallow, edible	120,384	116,908	66,278	74,251	56,671
Oleostearine	27,026	36,358	29,664	32,845	25,574
Lard	2,252	4,503	915	2,825	7,398
Oleo oil	126	1,839	242	291	470
Total land animal	149,788	159,608	97,099	110,212	90,113
Fish oils	27,671	40,278	21,284	16,529	20,321
Marine mammal oils	427	---	66	48	12
Total fats and oils	1,552,476	1,614,319	1,604,841	1,517,299	1,406,318

Compiled from Bureau of the Census, Animal and Vegetable Fats and Oils. Data for earlier years beginning 1912 given in The Fats and Oils Situation, May 1939.

1/ Mostly domestic, but some cottonseed oil, soybean oil, peanut oil, corn oil, and linseed oil is imported each year. Part of the imported oil may be used in production.

2/ Includes unnamed vegetable oils reported as "other." A small percentage may be domestic; arbitrarily placed in foreign group.

3/ Mostly of imported origin.

Table 7.- Compounds and vegetable cooking fats: Percentage contributed by the various items to the total weight of fats and oils used in manufacture, United States, 1931-39

Item	1931	1932	1933	1934	1935	1936	1937	1938	1939
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Vegetable									
Cottonseed oil ...	76.9	86.1	87.7	87.2	63.9	56.9	72.4	69.3	64.1
Soybean oil	.9	.5	1/	.2	3.4	7.1	5.7	9.0	14.
Peanut oil	.5	.4	.3	.7	5.9	5.5	3.6	3.5	3.7
Corn oil	.5	.3	.1	.2	.2	1/	.1	1/	.1
Linseed oil	---	---	---	---	1/	---	.1	1/	---
Total domestic ..	78.8	87.3	88.1	88.3	73.4	69.5	81.9	81.8	82.5
Palm oil	2.9	2.3	2.2	1.4	7.6	10.5	7.7	7.6	8.0
Coconut oil	2.8	.9	.7	.7	2.8	2.4	.8	1.7	1.5
Sesame oil	2.8	.8	.8	.4	2.2	2.0	1.8	.4	.1
Rape oil	---	---	---	1/	1.0	1.9	.3	1/	1/
Babassu oil	---	---	---	---	---	.3	1/	.1	1/
Palm-kernel oil ..	1/	---	---	---	.1	1/	1/	1/	1/
Sunflower oil	---	---	.3	.1	.7	1/	---	---	---
Perilla oil	---	---	---	---	1/	---	---	---	---
Other	1.5	.1	---	.1	.8	1.0	.1	1/	.1
Total foreign ...	10.0	4.1	4.0	2.7	15.2	18.1	10.7	9.8	9.7
Animal and marine									
Tallow, edible ...	5.8	4.7	4.8	6.0	7.8	7.2	4.1	4.9	4.0
Oleostearine	2.3	1.8	1.8	1.8	1.7	2.3	1.9	2.2	1.8
Lard	.7	.6	.3	.2	.1	.3	.1	.2	.5
Oleo oil	.8	.1	1/	.1	1/	.1	1/	1/	1/
Total lard, animal	9.6	7.2	6.9	8.1	9.6	9.9	6.1	7.3	6.3
Marine animal oils	1.6	1.4	1.0	.9	1.8	2.5	1.3	1.1	1.5
Total fats and oils	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Computed from data given in reports of Bureau of the Census. See explanatory notes, table 6.

1/ Less than .05 of 1 percent.

Table 8. - Compounds (animal and vegetable cooking fats): Wholesale price per pound, Chicago, 1936-40

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1936	12.4	12.2	11.9	11.8	11.2	11.2	12.0	12.7	12.8	12.5	12.6	13.2	12.2
1937	13.7	13.8	13.7	13.7	13.2	13.4	13.2	12.2	11.0	10.2	10.4	10.4	12.4
1938	10.2	10.3	10.2	10.3	10.2	10.2	10.3	10.6	10.2	10.0	9.8	9.6	10.2
1939	9.2	9.2	9.2	9.2	9.2	9.0	8.8	8.8	9.7	9.7	9.5	9.5	9.3
1940	9.5	9.5	9.6	9.4	9.5	9.2							

Agricultural Marketing Service.

Table 9.- Lard, neutral: Wholesale price per pound, Chicago, 1936-40

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1936	12.4	12.4	12.6	12.7	11.8	11.6	12.7	13.5	13.9	13.2	13.2	14.2	12.9
1937	14.6	13.8	13.8	14.1	14.1	13.8	14.4	14.4	14.6	13.3	12.4	11.1	13.7
1938	11.1	11.3	11.3	10.7	10.7	10.6	11.2	10.6	10.6	10.2	10.0	9.7	10.7
1939	9.4	9.2	9.0	8.6	8.8	8.5	8.0	8.2	10.9	8.6	8.4	8.4	8.8
1940	7.9	8.0	7.8	8.0	7.8	7.2							

The National Provisioner.

Table 10.- Lard, prime steam: Wholesale price per pound, tierces, Chicago, 1936-40

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1936	11.1	10.8	10.8	11.0	10.4	10.3	11.0	12.1	11.7	11.5	11.8	13.1	11.3
1937	13.6	12.4	12.5	11.6	11.9	11.9	12.2	11.3	11.0	10.0	9.5	8.3	11.3
1938	8.3	8.6	8.8	8.2	8.1	8.4	8.9	8.1	7.8	7.4	7.1	6.7	8.0
1939	6.6	6.6	6.5	6.3	6.5	6.1	5.7	5.6	7.8	6.6	6.1	6.2	6.4
1940	6.0	6.1	5.9	6.1	5.6	5.5							

The National Provisioner.

Table 11.- Lard, refined: Wholesale price per pound, tubs, Chicago, 1936-40

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1936	12.2	12.1	11.9	11.9	11.1	11.3	12.1	12.8	12.5	12.4	12.7	13.6	12.2
1937	14.0	13.3	13.2	12.6	12.9	13.2	13.6	13.0	13.0	12.0	11.4	9.8	12.7
1938	10.1	10.1	10.0	9.4	9.2	9.4	9.7	9.0	8.9	8.5	8.3	7.9	9.2
1939	7.7	7.5	7.5	7.3	7.5	7.1	6.6	6.4	9.6	8.0	7.2	7.1	7.5
1940	6.8	6.7	6.5	6.4	6.4	6.2							

Agricultural Marketing Service.

Table 12.- Oleomargarine: Production and materials used in manufacture, United States, May 1938 and 1939, March-May 1940

Item	May		1940 1/		
	1938	1939	Mar.	Apr.	May
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Production:					
Colored	122	121	138	177	181
Uncolored	28,394	22,582	26,503	27,231	24,496
Total 2/	28,516	22,703	26,641	27,408	24,676
Materials used:					
Oleo oil	1,354	1,001	1,317	1,235	933
Oleostearine	274	290	242	314	310
Lard, neutral	114	77	301	638	498
Oleo stock	152	73	96	119	91
Beef fat	---	22	---	---	---
Oleostearine oil	---	---	---	---	88
Total animal	1,894	1,463	1,956	2,306	1,920
Cottonseed oil	9,958	6,780	9,022	8,188	8,468
Soybean oil	2,053	5,568	7,169	7,140	5,727
Peanut oil	257	194	146	113	133
Corn oil	11	24	87	32	48
Vegetable gum	---	---	1	---	---
Cottonseed stearine	---	1	---	---	---
Soybean stearine	---	---	---	1	1
Total domestic vegetable	12,279	12,567	16,425	15,474	14,377
Coconut oil	7,759	2,964	2,464	3,084	2,527
Babassu oil	685	1,323	526	937	962
Palm-kernel oil	470	8	---	---	---
Palm oil	---	1	1	---	---
Rice oil	18	---	---	---	---
Total foreign vegetable	8,932	4,296	2,991	4,021	3,489
Total fats and oils	23,105	18,326	21,372	21,801	19,786
Milk	5,509	4,498	5,074	5,244	4,691
Salt and other miscellaneous	1,267	1,053	1,166	1,234	1,074

Compiled from Internal Revenue records and Internal Revenue Bulletin.
1/ Preliminary. 2/ Total of unrounded numbers.